

EX PARTE

November 22, 2005

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 – 12th Street SW
Washington, DC 20054

RE: Federal-State Joint Board on Universal Service: CC Docket No. 96-45

Dear Ms. Dortch:

On November 9th, Dan Phythyon of the Alliance for Public Technology and I, representing the Keep USF Fair Coalition (“the Coalition”), met with Jessica Rosenworcel, Legal Advisor to Commissioner Copps. It has come to our attention that the Coalition had not filed a notice of ex parte communication for this and two additional meetings: a meeting on August 31st with Cathy Carpino, Richard Lerner, Greg Guice, Carol Pomponio and Rodger Wook; and a September 7th meeting with Tom Navin, Jeremey Marcus, Cathy Carpino, Greg Guice and Carol Pomponio.

We have instituted an internal mechanism at the advice of counsel that ensures future notices of ex parte communications are filed in a timely fashion.

In all three meetings referenced above, Coalition members discussed the Commission’s proposal to modify the current universal service mechanism by using telephone numbers rather than long-distance telephone service as the device triggering contribution obligations.

We expressed the opposition of the Coalition and its members to the so-called “numbers” plan due to the fact that it will result in higher federal phone taxes for the people least likely to be able to afford themseniors living on fixed income, rural Americans, and low-income minorities, among others.

We suggested an alternate plan, backed by Coalition members, called the “Fair Share Plan.” This Plan is a commonsense approach to improve the USF contribution process to ensure sufficient funds. Specifically, the Plan calls for:

- Expanding the USF contribution base to include revenues derived from all telecommunications, including services provided using Voice over the Internet Protocol (VoIP) technology.
- Establishing a contribution factor cap to be applied to the revenue-based approach, somewhere between 12 and 15 percent of revenues derived from interstate telecommunications (including VoIP).
- Continuing to assess carriers based on revenues up to that cap amount; carriers would still have the right to charge their end users a USF recovery charge not to exceed the capped amount.

It is only after all of these steps have been taken under the Fair Share Plan that a numbers-based approach could be invoked strictly as a fallback funding approach. In order to minimize damage to consumers, the numbers component would only recover the amount of any revenue shortfall. The Plan would benefit those low-income users who make few long-distance calls. They would be subject to flat assessments for their wireline and wireless telephone numbers, but the level of those assessments would be measured in cents, not the \$1.00 or more anticipated under a “connection” or “numbers” based funding plan.

Furthermore, we asked the Commission to make public any data it has that would show the impact of the numbers proposal on various demographic groups.

Pursuant to section 1.1206(b)(2) of the Commission’s rules, this letter is being filed electronically in the record of the above-referenced proceeding. Please do not hesitate to contact me at (703) 276-3251 if you have any questions.

Respectfully submitted,

Maureen A. Thompson
Executive Director
Keep USF Fair Coalition